

REMARKS

Claims 1-40, 42-44, 46-70 and 81-108 are pending. Claim 45 has been cancelled without prejudice. Claims 1, 4, 5, 6, 9, 10, 11, 18, 31, 42, 81, 85, 89, 91, 98, 105 and 106 have been amended. Claims 1, 42 and 81 are independent.

Claims 1-6, 19, 26-27, 31-33, 42-46, 50, 55-57, 62-63, 72, 81-86, 101-102 and 105-106 were rejected under 35 U.S.C. 103(a) over U.S. Patent 7,310,616 (Sugahara) in view of U.S. 5,375,055 (Togher). Claims 7, 48, 70 and 87 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of "Official Notice." Claims 8-9, 37-38, 51-52, 67, 69 and 88-89 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of U.S. Patent Application US2003/0083973 (Horsfall). Claims 10-11, 15, 53-54, 90-91 and 94-95 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of U.S. Patent Application US2002/0032579 (Harpale). Claims 12-13 and 92-93 were rejected under 35 U.S.C. 103(a) in view of Sugahara in view of Togher in view of Harpale and further in view of Horsfall. Claims 16-17, 49 and 96-97 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher and further in view of U.S. Patent Application US2003/0055776 (Samuelson). Claims 18 and 98 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Horsfall and further in view of U.S. Patent Application Number US2002/0133455 (Howorka). Claims 20-21, 58-59 and 99 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Horsfall and "Official Notice." Claims 22-25, 60-61 and 100 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher and further in view of U.S. Patent Application Number US2002/0052824 (Mahanti). Claims 28, 64 and 103 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Samuelson and further in view of U.S. Patent Application US2002/0099633 (Bray). Claims 29-30, 65 and 104 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Samuelson. Claim 34 was rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Howorka and further in view of "Official Notice." Claims 35-36, 66 and 107 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Horsfall and further in view of U.S. Patent Application No. US2004/0001580 (Mason).

Claims 39 and 68 were rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Horsfall and further in view of U.S. Patent Application No. US20023/0033240 (Balson et al.). Claim 40 was rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher and further in view of U.S. Patent Number 7,110,972 (Handa et al.). Claim 47 was rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Howorka. Claim 108 was rejected under 35 U.S.C. 103(a) over Sugahara in view of Togher in view of Balson.

The independent claims were rejected over Sugahara in view of Togher. Applicants submit that the amended independent claims are patentable over the cited art for at least the following reasons.

In the amended independent claims, the first party, e.g., the smaller bank, can see quotes on the system to which a third party, e.g., a prime broker, has credit, but which the first party does not have credit. The system can receive, from the first party (e.g., the smaller bank), an instruction initiating a trade for such a quote. Such trade is conducted by executing a first deal between a third party (e.g., the prime broker) and the counterparty owning the quote. A second deal is then executed between the third party and the first party. The amount of the second deal is the same as the amount of the first deal. This permits a first party that does not have credit with a counterparty associated with the best price quote, to trade on that quote.

The deficiencies of Sugahara as a reference were discussed in the previous response. Those arguments are maintained. However, even if Sugahara were to be deemed, for purposes of argument, to teach all that they are relied upon for, it would not have been obvious to combine Sugahara with Togher to meet the features of the amended independent claims.

Togher relates to a system in which a trader only sees, as “dealable” quotes, quotes from parties with which he/she currently has remaining credit for trading on the system. Togher’s presentation of such a “market view” is a result of a pre-screening of quotes for credit, which is an important feature of the Togher system. Because of this pre-screening, only the “dealable” quotes on a party’s trading screen can be hit or taken. Togher also teaches displaying the best price on the

entire anonymous trading system, regardless of whether this price is “dealable.” But significantly, in Togher this best price may *not* be hit by the trader unless it is a “dealable” price. That is, the system in Togher *never* permits a first trader to *initiate* a trade relating to a quote for which he does *not* have credit with the owner of that quote.

In contrast, as is now even more clearly recited in the independent claims, the first party in the claims of the current application, is permitted *to initiate a trade*, even regarding a quote that would *not* be considered “dealable” in Togher’s system, i.e., regarding a quote for which he does not have credit with the owner of a quote. Togher teaches away from permitting such trades to be initiated by the trader that does not have credit regarding that quote. In Togher, such quotes are not “dealable.”

In the Office Action at, for example, page 5, last sentence, the Examiner notes in her view that in Togher, “...a third trader is used as a third party where credit limit restrictions bar the first two traders from dealing directly with one another.” This, it would appear, is taken from column 9, line 29 to column 10, line 4 of Togher. However, the Examiner has not noted the last portion at column 10, lines 3 and 4 of Togher, which states that, “it is still possible that the third trader will be presented with an arbitrage opportunity.” That is to say, a third party can take advantage of bid and offer prices from two other parties, whose quotes may not be matchable by the system due to lack of credit between the first and second party. However, this is *not* the same thing that is recited in the independent claims. In Togher’s hypothetical arbitrage opportunity, *neither* of the two parties that cannot trade because of lack of bilateral credit is permitted initiate a trade with the other. Togher’s third party is simply taking advantage of the prices of the respective bid and offer of the two quotes to make a profit for himself. In Togher’s arbitrage situation described above, the third party is the *only* party that can *initiate* a trade with regard to either of the other party’s quotes, and can only take the arbitrage opportunity if he has credit with both of those parties.

In contrast, in the amended independent claims, the first party, who does *not* have credit with the counterparty owning the best quote, can *initiate a trade* regarding that quote, even though he does *not* have credit with that counterparty. Togher, on the other hand, even Togher’s arbitrage

example quoted above, teaches away from such a party ever initiating such a trade. Thus, one of ordinary skill in the art would have been dissuaded by the teachings of Togher to have attempted such a modification of Sugahara to meet the limitations of the amended independent claims. For at least this reason, the amended independent claims are believed clearly patentable over the cite references.

The dependent claims are patentable for at least the same reasons as their respective base claims.

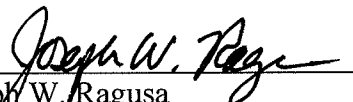
REQUEST FOR INTERVIEW

In order to move this case closer to allowance, the Examiner is requested to telephone applicants' undersigned representative to set up a mutually convenient time to conduct a telephonic interview before issuance of the next Office Action.

In view of the above amendment and remarks, applicant believes the pending application is in condition for allowance.

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Respectfully submitted,

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